



National Asset Management Agency

2010 Annual Results – 28th July 2011

Progress Made to end July 2011

Successfully acquired €72.3 billion in loans relating to 850 debtors

Successfully injected €30.5 billion in liquid assets to five participating Irish banks

Paid down over €1 billion of NAMA debt in first year

Cash balances of €1.1 billion at end June 2011

Operating profit year one of €305m before impairment charge of €1,485m

€2.6 billion in cash generated by NAMA over first 15 months to 30/6/2011

Progress Made to end July 2011 (continued)

New organisation established from scratch

150 staff recruited with long standing experience in banking and property

Decisions made on debtor business plans relating to €36 billion of loans acquired – 50% of portfolio by par value

73 Receivers appointed and 33 declined

€3.9 billion in approved sales

20% Ireland and 80% outside Ireland

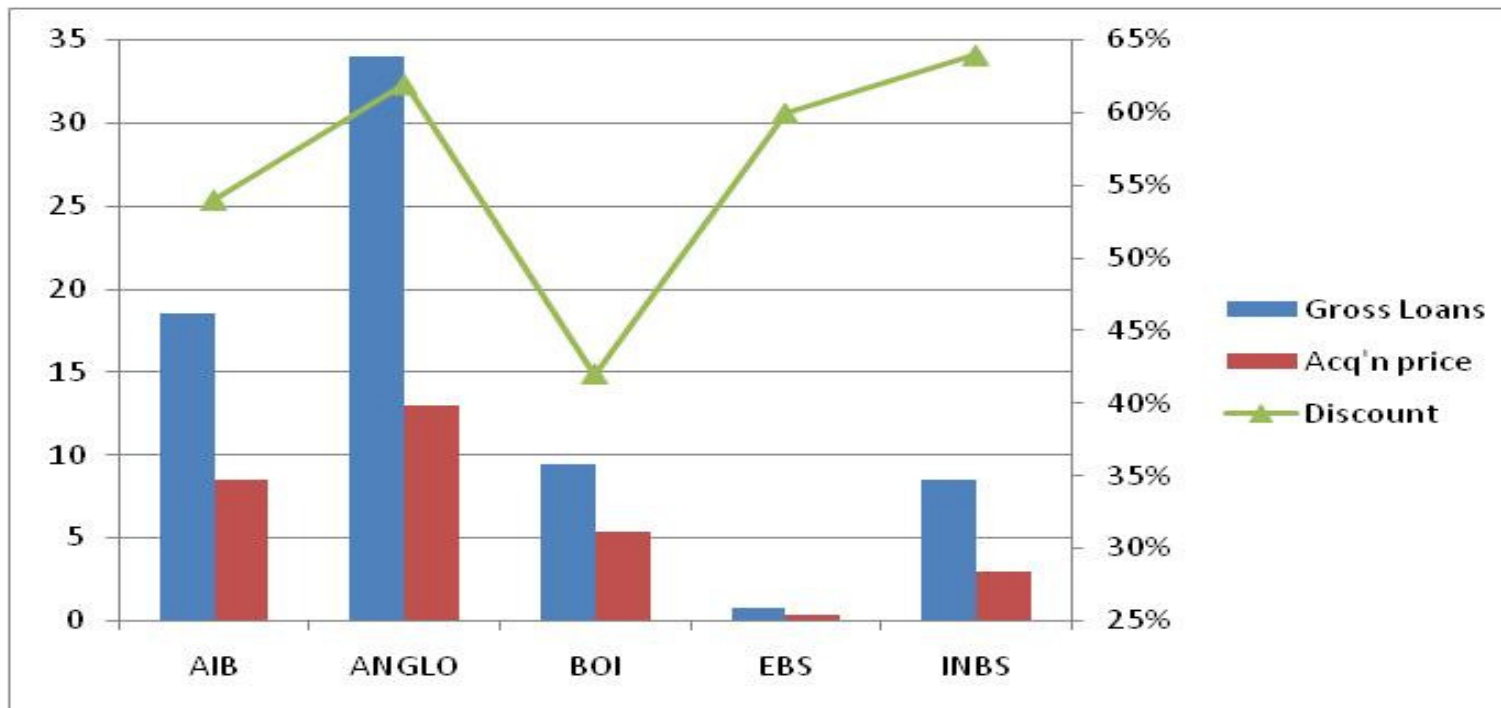
2,500 individual credit decisions made – including approving €900 million in development and working capital from 1 March 2010 to 30 June 2011

Distribution of larger debtors (par debt in excess of €100m) by size of nominal debt*

Nominal Debt	Number of debtors	Average nominal debt per debtor €m	Total nominal debt in this category €m
In excess of €2,000m	3	2,784	8,352
Between €1,000 and €2,000m	9	1,564	14,077
Between €500m and €999m	17	666	11,322
Between €250m and €499m	28	358	10,023
Between €100m and €249m	78	160	12,483
TOTAL	135	417	56,257

*Includes only debtors whose loans have been acquired in full or in part

NAMA Acquisitions during 2010



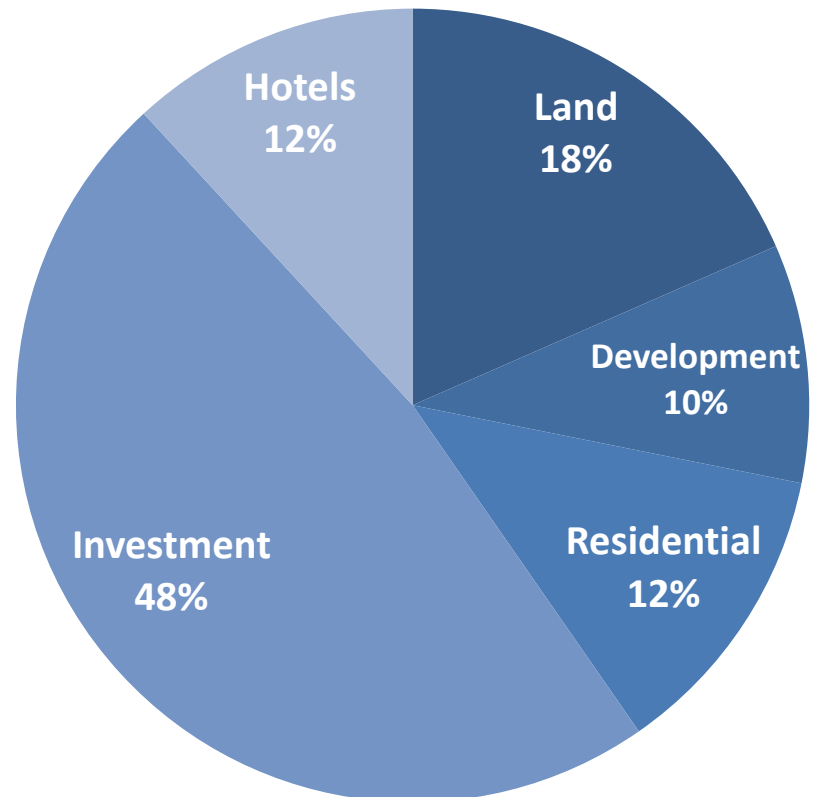
<i>€ billion</i>	AIB	ANGLO	BOI	EBS	INBS	TOTAL
Gross Loans	18.5	34	9.4	0.8	8.5	71.2
Acq'n price	8.5	13	5.4	0.3	3	30.2
Discount	54%	62%	42%	60%	64%	58%

NAMA Portfolio Structure 31/12/2010 - Audited

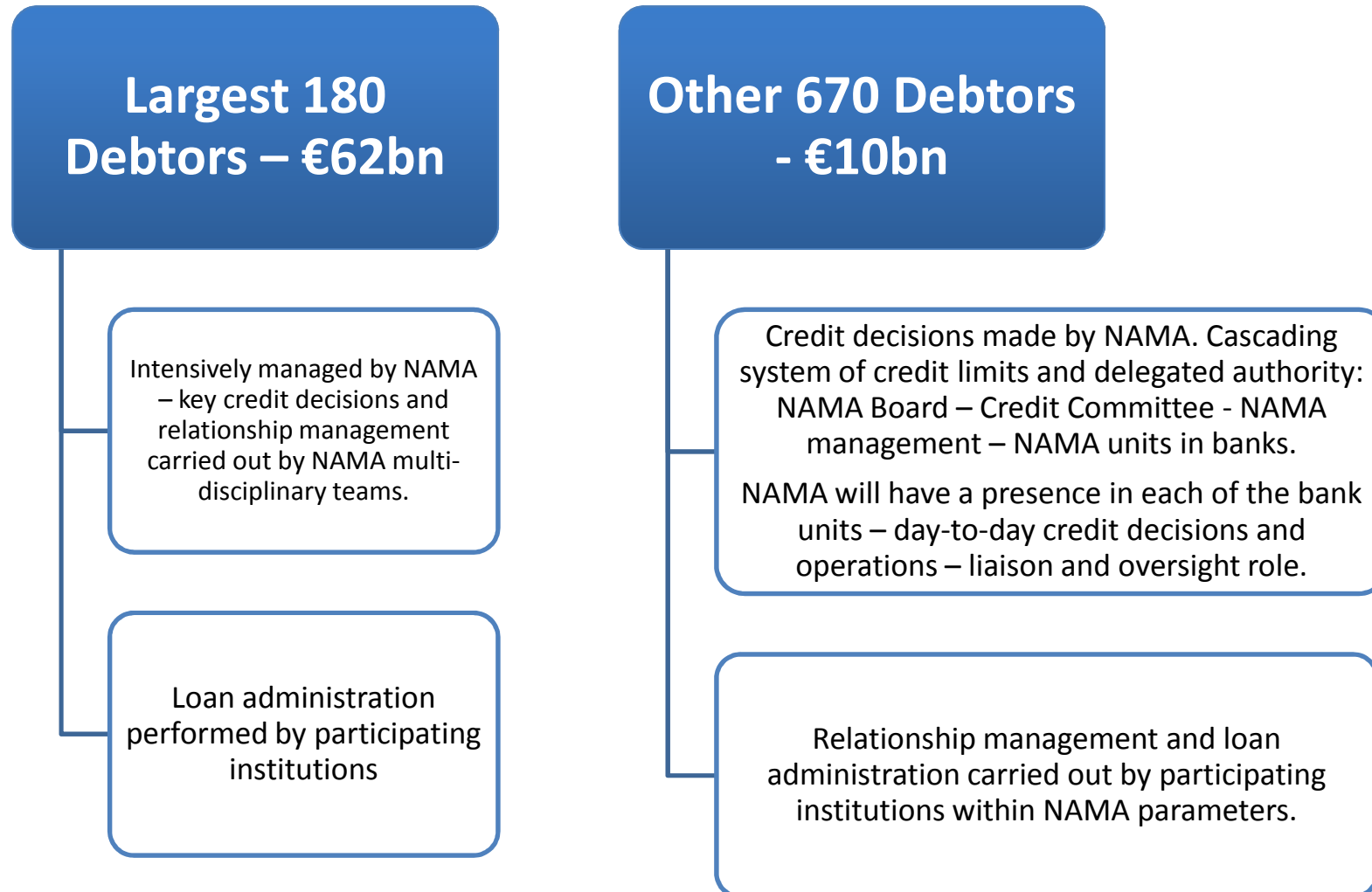
Jurisdiction	Total Assets € bn	Land and Development (L&D) € bn	Percent of Total (L&D)	Investment (Inv) €bn	Percent of Total (Inv)
Ireland (61%)	17.9	8.2		9.7	
UK and NI (32%)	9.4	3.2		6.2	
USA & Europe (7%)	2.1	0.6		1.5	
Total	29.4	12.0	41%	17.4	59%

Country	Ex UK\Ireland €bn
Germany	
USA	
Portugal	
France	
Czech Republic	
Belgium	
Spain	
Poland/Hungary/Malta/Italy/South Africa	
Total Non UK & Ireland	€2.1bn

Sector Concentration by assigned CMV (Tranches 1-4) - €47 bn nominal\ €21.4 bn NAMA debt – fully due diligenced



Debtor Engagement





National Asset Management Agency

2010 Financial Results

Income Statement

		Audited 2010 €m
Interest income		525
Interest expense		(179)
Net interest income		346
Derivatives MTM movement		(17)
Administration expenses		(46)
Foreign exchange (losses)/ gains		22
Operating profit before Impairment		305
Impairment charge		(1,485)

Balance Sheet

Assets		Audited 2010 €m	
Cash		837	
Investments		-	
Derivative Assets		499	
Loans and receivables		27,951	Net of impairment
Other		368	
Total Assets		29,655	
Liabilities			
Derivative Liabilities		174	
Debt (NAMA Senior Bonds)		28,650	
Other		427	
Total Liabilities		29,255	
Equity			
NAMA Subordinated bonds		1,507	
Retained Reserves/(Losses)		(1,180)	
Derivative gains/(losses)		77	
Equity and Liabilities		29,655	

Cash Flow Statement 2010

		Audited 2010 €m
Receipts from borrowers		1,014
Funds advanced to borrowers post acquisition		(240)
Derivative cashflow		46
Payments to suppliers of services		(49)
Interest paid		(31)
		740
Funding / Borrowing		350
Repayment of loans to Minister for Finance		(250)
Repayment of senior bonds		-
Other		(3)
Total cash at end of 2010		837

NAMA - Strategy

- NAMA will provide equity capital and credit facilities where appropriate. New money is a scarce resource – advanced only where it makes commercial sense and either protects or enhances NAMA’s financial position.
- NAMA will support development to realise full value of asset - **€900m** of working and development capital approved advances from 1 March 2010 to 30 June 2011.

Asset disposal – orderly and phased;

No fire sales but no speculative hoarding either;

NAMA and Debtor debt reduction targets as per table.

Government & Troika target is for NAMA to generate **€7.5 bn of cash by end 2013 – 25% debt repayment**

Year	% to be Repaid
2013	25%
2015	40%
2017	80%
2018	90%
2019	100%

NAMA Cashflows

NAMA is self financing:

NAMA has generated cash of **€2.6 billion** in 15 months to 30 June 2011. NAMA has used this cash as follows:

Repay Debt & interest	€1.0 bn (€750M Senior Bonds redeemed by 30/6/2011)
Working\Development Capital	€0.4 bn (Cash drawn down)
Operating Expenses	€0.1 bn (1/3 rd of this is paid to banks for their 500 staff employed who administer the loans for NAMA)

NAMA maintains cash balances of €1.1 billion at end June 2011 – important for ensuring that no fire sales occur at poor prices that will cost the taxpayer and also NAMA has to maintain cash on hand for working \development capital for protecting and\or enhancing NAMA assets.

Credit Decisions and Payment Activity (to end June 2011)



Approved Asset Sales (€m)	Total
2010	1.9 bn
2011 YTD	2.0 bn
Total Asset Sales Approved	€ 3.9 bn

Approved Credit Advances (€m)			Total
2010			0.5 bn
2011 YTD			0.4 bn
Total Credit Advances Approved			€ 0.9 bn

Insolvency Appointments (number)	Approved	Declined	Total
2010	30	21	51
2011 YTD	43	12	55
Total Appointments Proposed	73	33	106

Receivership website launched today on www.nama.ie

Lists all properties in Receivership\administration as at 30 June 2011

Details of 847 properties and receivers\administrators

68% ROI

9% NI

23% UK



National Asset Management Agency

Appendices

Income Statement - Notes

Interest Income		Audited 2010 €m
Loans to customers		448
Derivative interest income		75
Bank and other interest		2
Total		525

Interest Expense		Audited 2010 €m
Bond interest		99
Derivative interest expense		35
Hedge Derivative interest expense		44
Loans and borrowings		1
Total		179

Income Statement - Notes

Gains/ (Losses) on derivatives		Audited 2010 €m
MTM Gain/(loss) on derivatives to hedge		(48)
MTM (Loss)/Gain on acquired borrower derivatives		31
Total		(17)

Income Statement - Notes

Administration expenses (Note 8 page 79)		Audited 2010 €m
NTMA Reimbursed Costs		15
Fees paid to Participating Institutions and Capita to administer the loans		15
Legal and tax fees		4
Finance advisory fees		5.2
Audit fees		1.2
Board & Committee fees		0.6
Portfolio fees		5
Total		46

Breakdown of Loans and Receivables

	Anglo €m	AIB €m	BOI €m	EBS €m	INBS €m	Total €m
Loans acquired in 2010	12,732	8,374	5,377	331	3,042	29,856
Loan movement in 2010						(1,905)
Balance at 31 December 2010						27,951

Breakdown of Bonds issued by PI – 31/12/2010

	Anglo €m	AIB €m	BOI €m	EBS €m	INBS €m	Total €m
Total	12,920	8,459	5,404	331	3,043	30,157
Total senior and subordinated bonds in issue						30,157
<i>Breakdown as follows:</i>						
Senior bonds (NAMA repaid €250m on 2 March 2011)						28,650
Subordinated bonds						1,507
Balance at 31 December 2010						30,157